(dr req 20-0811 – draft 8) 1/23/2020 - LM – 05:50 PM

Introduced by Committee on Natural Resources and Energy

Date:

Subject: Public service; regulatory authority of the Public Utility Commission; energy efficiency programs and services

Statement of purpose of bill as introduced: This bill proposes to allow, for a period of three years, energy efficiency entities to use a portion of their budgets on programs to reduce greenhouse gas emissions in the thermal and transportation sectors.

An act relating to energy efficiency entities and programs to reduce greenhouse gas emissions in the thermal energy and transportation sectors

It is hereby enacted by the General Assembly of the State of Vermont:

- Sec. 1. ALLOWANCE OF THE USE OF ENERGY EFFICIENCY

 CHARGE FUNDS FOR GREENHOUSE GAS EMISSIONS

 REDUCTION PROGRAMS
- (a) Notwithstanding any provision of law or order of the Public Utility

 Commission (PUC) to the contrary, for the calendar years 2021–2023, the PUC

 shall authorize any entity appointed to provide electric energy efficiency and

 conservation programs and measures pursuant to 30 V.S.A. § 209(d)(2)(A) to

 spend a portion, in an amount to be determined by the PUC but not to exceed

\$2,000,000.00 per year, of its electric resource acquisition budget, on programs, measures, and services that reduce greenhouse gas emissions in the thermal energy or transportation sectors, provided that the entity's total electric resource acquisition budget for 2021-2023 does not exceed the entity's total electric resource acquisition budget for 2018-2020.

(b) Programs, measures, and services authorized pursuant to subsection (a) of this section shall:

(1) reduce greenhouse gas emissions in the thermal energy or transportation sectors, or both;

(2) result in the largest possible greenhouse gas emissions reductions in a cost effective manner in both the residential and commercial sectors:

(3)(2) have a nexus with electricity usage;

in competition with electric utility energy transformation projects pursuant to 30 V.S.A. § 8005(a) (3), such that the largest possible greenhouse gas emissions reductions are achieved in a cost-effective manner; and and

(5)

(5) ensure that any funds not utilized to provide equitable services to all statewide consumers are expended in proportion to the energy efficiency charge collected in each retail service provider's territory.

where funds will be used for direct customer incentives, ensure that benefits realized in a retail electricity provider's territory.

are in proportion to the energy efficiency charge collected in that territory.

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(c) An entity that is approved to provide a program, measure or service

pursuant to this section shall provide the program, measure or service in cooperation with a retail electricity provider.

(1) The entity shall not claim savings for a program or measure that a DU elects to offer under its Tier 3 programs delivered pursuant to 8005 (a) (3).

(2) The PUC shall develop standards and methods to appropriately measure the effectiveness of the programs, measures, and services in relation to the entity's Demand Resources Plan proceeding.

(1) If an entity provides a program, measure or service in cooperation with a retail electricity provider:

(C) the PUC develops additional standards and methods to
(e) Any funds spent on programs, measures, and services pursuant to this section
by a retail electricity provider that the PUC has appointed an energy

efficiency entity pursuant to 30 V.S.A. § 209(d)(2)(A) shall not be counted towards the calculation of funds used by that retail electricity provider for energy transformation projects pursuant to 30 V.S.A. § 8005(a)(3) and the calculation of project cost pursuant to 30 V.S.A. § 8005(a)(3)(C)(iv).

(f) On or before April 30, 2021 and every April 30 for three years thereafter, the PUC shall submit a written report to the House Committee on Energy and Technology and the Senate Committees on Natural Resources and Energy and on Finance concerning any programs, measures, and services approved pursuant to this section.

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This act shall take effect on passage and shall be repealed as of January 1,

<u>2024.</u>